Government of
Saskatchewan

Annual Report for the Year Ending March 31, 1986

Saskatchewan Revenue and Financial Services

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Letter of Transmittal

Hon. J. Gary Lane, Q.C.
Minister of Revenue and Financial Services

Minister
of Revenue and
Financial Services

Regina, Saskatchewan

The Honourable Frederick W. Johnston
Lieutenant Governor of Saskatchewan

Dear Sir:

I have the honour to submit herewith the Annual Report for Saskatchewan Revenue and Financial Services for the fiscal year ending March 31, 1986.

Respectfully submitted,

Hon. J. Gary Lane, Q.C.
Minister of Revenue and Financial Services

Deputy Minister's Transmittal

Regina, Saskatchewan

The Honourable
J. Gary Lane, Q.C.
Minister of Revenue and Financial Services

Dear Sir:

I have the honour to present for your consideration the Annual Report of Saskatchewan Revenue and Financial Services for the fiscal year ending March 31, 1985.

The following are some highlights for Fiscal Year 1985-86;

•Implemented the new Revenue and Expenditure System on a Government-wide basis;
•Undertook the pilot run of the new Personnell Payroll System;
•Processed 1.022 million payments;
•Conducted 88 Federal/Provincial Cost Share Claim audits for a total of $341.9 million;
•Developed and operated a system to permit employees to purchase Sask Oil Shares and Sask Power Bonds on a payroll deduction plan;
•Collected $592 million in taxes and other levies;
•Contacted 3,578 new businesses to help them understand their tax-related responsibilities;
•Completed 6,555 audits for total tax adjustments of $10.4 million
•Paid $4.4 million in benefits under the Mortgage Interest Reduction Program;
•Assumed responsibility for the Provincial Disaster Assistance Program and the Farmer's Oil Royalty Refund Program;
•Administered eight pension plans and three employee benefit plans;
•Absorbed the increased workload related to inclusion of SGEU employees in the Public Employees Dental Plan;

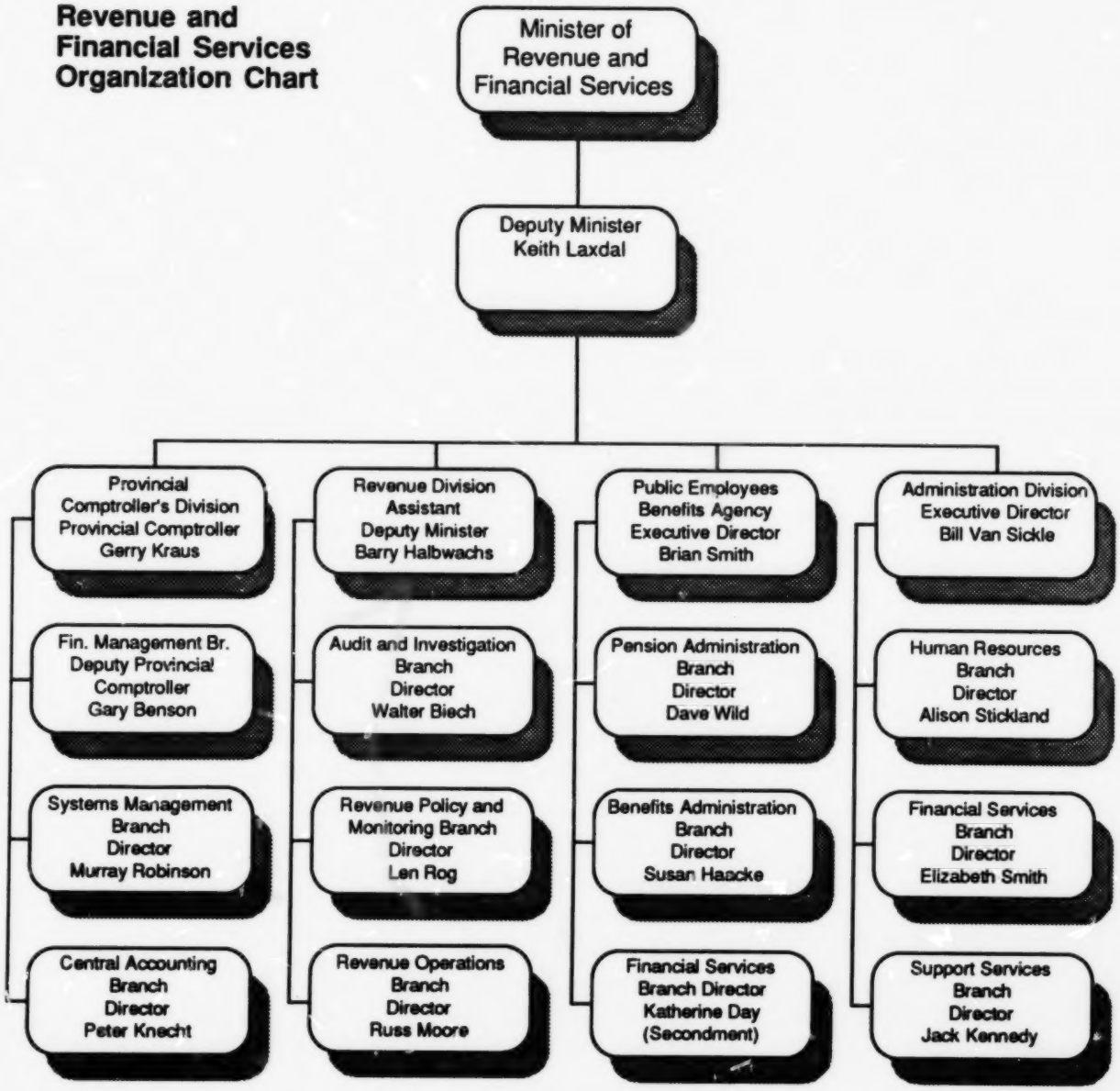
Keith Laxdal
Deputy Minister

•Declared a rate of 15.09% on the member's accounts in the Public Employees Superannuation Plan;
•Increased the number of employees served by Administrative Division from 600 to 957 - an increase of almost 60%.

Respectfully submitted,

Keith Laxdal
Deputy Minister

Revenue and Financial Services Organization Chart


Minister of Revenue and Financial Services
Deputy Minister Keith Laxdal
Provincial Comptroller's Division Provincial Comptroller Gerry Kraus
Fin. Management Br. Deputy Provincial Comptroller Gary Benson
Systems Management Branch Director Murray Robinson
Central Accounting Branch Director Peter Knecht
Revenue Division Assistant Deputy Minister Barry Halbwachs
Audit and Investigation Branch Director Walter Biech
Revenue Policy and Monitoring Branch Director Len Rog
Revenue Operations Branch Director Russ Moore
Public Employees Benefits Agency Executive Director Brian Smith
Pension Administration Branch Director Dave Wild
Benefits Administration Branch Director Susan Haacke
Financial Services Branch Director Katherine Day (Secondment)
Administration Division Executive Director Bill Van Sickle
Human Resources Branch Director Alison Stickland
Financial Services Branch Director Elizabeth Smith
Support Services Branch Director Jack Kennedy

Provincial Comptroller's Division

Provincial Comptroller's Division

The Provincial Comptroller's Division assists the government and the Legislature with their responsibility of managing and accounting for the public purse.

The Division has established three branches which conduct complimentary activities that all work towards discharging the Provincial Comptroller's responsibilities. The branches include the Central Accounting Branch, the Systems Management Branch and the Financial Management Branch.

Central Accounting Branch

The Central Accounting Branch is responsible for:

a) Issuing payments out of the Consolidated and Heritage Funds (the principal funds of the Province).

b) Ensuring that payment requisitions are for authorized purposes, are in compliance with relevant Treasury Board policies and are charged to the correct appropriations.

c) Ensuring that sufficient funds exist in the appropriation before making payment.

d) Maintaining a record of the revenues and expenditures of the principal funds and reporting to senior officials and to Treasury Board.

e) Preparing the annual Public Accounts for tabling in the Legislature.

f) Operating the centralized employee payroll system.

g) Operating the government's revenue and expenditure system which provides financial information to departments.

Gerry Kraus
Provincial Comptroller

1985-86 Activities

In 1985-86 the Central Accounting Branch began using the new Revenue and Expenditure System which

Payments made by the Central Accounting Branch

	1983-84	1984-85	1985-86
Consolidated Fund	402,000	406,000	532,000
Salary	232,000	223,000	234,000
Pensions	114,000	183,000	178,000
Others	385,000	404,000	*78,000
Total	**1,333,000**	**1,216,000**	**1,022,000**

*Decrease due in part to elimination of Property Tax Rebate Programs.

was implemented government-wide on April 1, 1985. This system affected most jobs in the branch and contributed to a reduction in positions from 86.2 to approximately 77 by March of 1986. The position reduction was accomplished through attrition and by assisting permanent employees to find other suitable positions within the government.

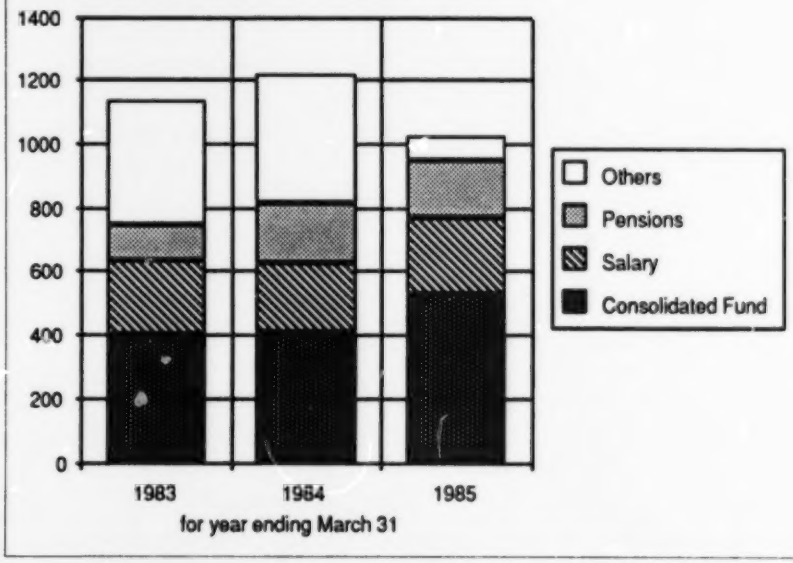
In 1985-86, audits on payment vouchers detected errors on 22,000 invoices. These payment vouchers were returned to departments for correction before payments were issued.

Operation of the Revenue and Expenditure System includes maintenance of a vendor file with 175,000 names and addresses as well as a Chart of Accounts listing 55,000 account numbers.

The branch also provides a government vendor payment inquiry service to help suppliers clarify the status of payments. Approximately 6,800 telephone calls were received during 1985-86.

In 1985-86, the branch produced and mailed 1,022,000 payments.

Central Accounting Branch
Payments by Type (in thousands)



Central Accounting Branch
Miscellaneous Operating Statistics

Description	Quantity
Vendor names and addresses maintained and updated on the Vendor File	175,000
Acocunts maintained and controlled in the Chart of Accounts	55,000
Errors detected, on payment vouchers, through the audit process; returned to departments for correction	22,000
Phone calls received by government vendor payment inquiry service to clarify the status of payments	6,800

Systems Management Branch

The Systems Management Branch is responsible for:

a) Developing, implementing and maintaining the central computerized Budget Preparation, Revenue and Expenditure, and Human Resource Systems (payroll component), on behalf of central agencies (Treasury Board Division, Public Service Commission, etc.) and departments.

b) Developing automated solutions in response to requests for specific financial information.

c) Educating users of the central systems by providing seminars, courses and users' manuals.

d) Resolving user problems with the operation of the systems, and with the interpretation of output.

1985-86 Activities

1. *Revenue and Expenditure System*

Implemented the computerized system as scheduled on April 1, 1985.

A committee of senior departmental administrators was established to provide feedback on the systems and

Systems Management Branch
Miscellaneous Operating Statistics

Description	Revenue and Expenditure System (RES)	Budget Preparation System (BPS)
Main system programs maintained and run by programmer/analysts	60 - 70	25 - 30
Report programs maintained and run by programmer/analysts	200	20
Lines of computer codes in the largest program (payment voucher program)	15,000	----
Terminals located throughout the government, hooked into the RES and BPS systems	150	----
Security profiles maintained and updated for system users	465	160
Training sessions provided to various departments by the Client Services Unit	40	9
Average number of phone calls per month, received by Client Services Unit, requesting assistance with the systems, reports, equipment, etc. for both RES and BPS	400 - 500	----

to serve as a vehicle for identifying departmental concerns. Subsequently, a smaller working committee of department accounting staff was appointed to work with the branch's staff on automated solutions to those problems. The use of the committee has been extremely beneficial in stabilizing the new systems.

In July, 1985, the branch developed and released a revised procedures manual for the Revenue and Expenditure System.

A review of operations was conducted with the objective of reducing computer operating costs. During the year the efforts included the development of a record retention policy for computer disk and tape storage resulting in significant cost reductions.

Miscellaneous information:

-Programmer/analysts are responsible for maintaining between 60-70 main system programs and approximately 200 report programs. These programs vary in size and complexity with that for the payment voucher being the largest. (15,000 lines of computer code).

-There are about 150 terminals hooked into the system. These terminals are located throughout government.

-Security profiles are maintained for 465 authorized users. As employees transfer, resign and commence employment, the security files are updated.

-All departments were provided with initial briefings on the R.E.S. system in March 1985. This year, follow-up sessions were provided to 40 departments.

-Client Services representatives respond to an average 400-500 telephone calls for assistance each month. Calls include requests on how to use the system, how to obtain requestable reports, problems interpreting output and problems with terminals, printers, etc.

2. *Budget Preparation System*

The first automated load of budget values from the Budget Preparation System to the Revenue and Expenditure System was completed in 1985-86. In addition, the branch was responsible for loading 1984/85 actual expenditures and 1985/86 budgets for use by departments in preparing 1986/87 budgets.

Miscellaneous information:

-Programmer/analysts are responsible for maintaining 25-30 system programs and 20 report programs.

-During the year, training seminars were delivered to nine departments.

-Security profiles are maintained for 160 authorized users.

3. *Human Resource System*

Software development was completed in August 1985 and the *Department Personnel and Payroll Users' Guides* and training courses were developed in preparation for implementation.

A pilot run of the system was conducted from November 1985 to February 1986, using employees of Revenue and Financial Services and the Public Service Commission. The pilot included training of departmental staff and conversion of existing payroll data to the new system.

First production run salary payments were produced in March 1986.

Conversion of personnel records at the Department of

Supply and Service began in March 1986.

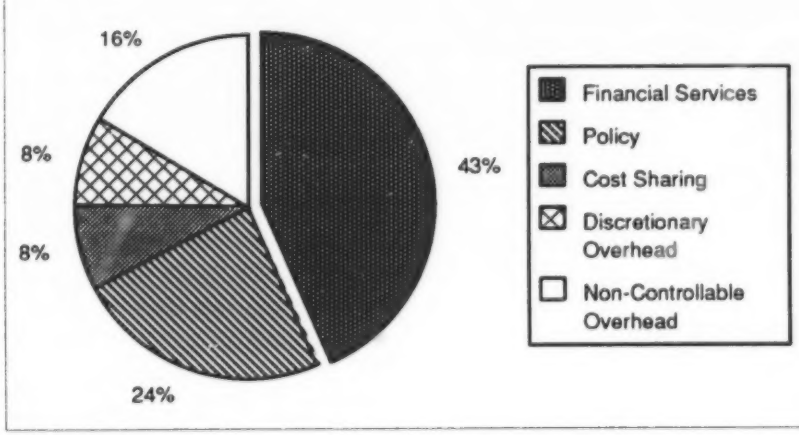
Implementation of the system will continue on a department-by-department basis until July 1987.

Miscellaneous information:

-At March 31, 1000 employees were on the payroll data base and 3000 had been converted to the personnel data base.

-The system also features electronic direct deposit and to date, 70% of employees have selected this option. Other jurisdictions indicate that only 25-30% of employees initially opt for direct deposit.

Financial Management Branch
Analyst Time Allocation 1985-86



Financial Management Branch

The Financial Management Branch is responsible for assisting the Provincial Comptroller to monitor the government's financial process and fulfills this mandate by:

a) Developing accounting and reporting policy for Treasury Board. Furthermore, through directives contained in the government's Financial Administration Manual and Payroll Administration Manual, the branch clarifies policy and sets out procedural requirements for departments;

b) Approving new departmental financial systems;

c) Reviewing draft legislation and regulations to ensure consistency and compatibility with existing legislation and policy and to ensure that responsibility and accountability for financial management are clearly defined;

d) Auditing federal-provincial cost sharing claim statements and monitoring the receipts of monies from the federal government;

e) Reviewing and approving the form and content of financial statements of various boards and agencies and providing advice on accounting matters.

Annually, approximately 120 sets of financial statements must be reviewed before tabling in the Legislature;

f) Reviewing the Provincial Auditor's reports to ensure that departments take cost-effective remedial action on control problems;

g) Supplying qualified resources to departments to assist them in the development, delivery or maintenance of financial systems. In addition, the branch provides advice to departments on problems they are experiencing and helps implement solutions as appropriate;

h) Providing directives and expertise respecting payroll procedures. This activity includes maintaining a payroll administration manual, training payroll clerks, responding to inquiries and providing input to government negotiators during contract negotiations.

1985-86 Activities

During the year the branch employed an average 25 financial analysts and 5 support staff as compared with 28 and 6 respectively for 1984/85.

The total analyst hours for 1986 were 52,698 as compared with 52,013 in 1985.

In 1985-1986 the branch carried 60 financial projects each month with 58 projects being completed during the year. These projects ranged from financial system review and approval to financial problem solving and program implementation.

Significant projects during the year were as follows:

1. **Agriculture**
   Lease Billing System

A new system being developed to control crown owned agriculture land. The branch provided input from a control and operational perspective and will ultimately approve the system when implemented in1987.

Financial Management Branch
Cost Sharing Unit Statistics:

	1984/85	1985/86
Number of Claims Conducted	117	88
Claims Certified	$317,066,000	$341,937,397

Financial Management Branch
Miscellaneous Operating Statistics

Description	Quantity
Hours spent in responding to various financial queries	2,000
Hours spent in reviewing 325 pieces of legislation and regulations	1,300
Government Entities' financial statements reviewed and approved	100
Provincial Auditor Management Letters investigated	57

2. **Highways**
   Equipment Management System

Reviewed and provided comments to a new system that manages the department's revolving fund equipment.

3. **Revenue and Financial Services**
   Payroll System

Reviewed the new payroll system to ensure financial standards are achieved.

Also developed a payment pre/post audit strategy.

4. **Finance**
   Banking Cash Management
   537 hours

The branch was involved in implementing a new government banking strategy that will produce annual savings estimated at $3,000,000.

5. **Social Services - Social Assistance**
   Automated Payment System

Provided assistance in the design, development and implementation of a new automated social assistance payment system to ensure achievement of financial standards.

6. **Revenue and Financial Services - Accounts Receivable**
   Monitoring

Developed and implemented a process whereby departments are held accountable for the collection of their accounts receivable. The branch continues to monitor departmental progress.

7. **Public Service Commission**
   Amalgamation of Payroll Units

Participated in the exercise to centralize personnel by documenting procedures, in making recommendations to improve efficiency and control and by providing training.

8. **Finance**
   Pioneer Trust Payout

Handled claims establishment and payout of unsecured creditors of Pioneer Trust.

9. **Revenue and Financial Services**
   Revenue and Expenditure System

Conducted a review of Central Accounting Branch procedures and helped implement recommendations to improve efficiency and controls in the operation of the new system.

10. **Revenue and Financial Services**
    Saskoil Payroll Deduction Plan
    Sask Power DeductionPlan

Developed and operated a process to permit government employees government to purchase Saskoil shares and Sask Power bonds on a payroll deduction plan.

The branch committed in excess of 12,500 hours to policy development to assist the government in administering public money. This activity involves maintaining the Payroll and the Financial Administration Manuals as well as development of new policies.

The most significant policies included:

-Strategy to audit requests for payment;

-Reformatting of Public Accounts to improve understandability; the operation of trust and special purpose funds; and the reporting and control of accounts receivable.

In addition, the branch spent 2000 hours responding to various financial queries; reviewed 325 pieces of legislation and regulations which consumed 1300 hours of analyst time; reviewed and approved in excess of 100 financial statements of government entities; and, investigated 57 Provincial Auditor Management letters.

The Cost Sharing Unit conducted 88 audits and certified claims for $341,937,397 as compared with 117 claims and $317,066,000 in 1984-85. These activities required staff resources of 4300 hours.

Revenue Division

Revenue Division

The Revenue Division administers Saskatchewan's direct consumption taxes, selected miscellaneous revenue sources and certain grant and refund programs, including the Mortgage Interest Reduction Plan, the Farmers' Oil Royalty Refund Program and the Provincial Disaster Assistance Program.

The division is organized along functional lines into three branches: Revenue Operations, Audit and Investigation and Revenue Policy and Monitoring.

Revenue Operations Branch

The Revenue Operations Branch is responsible for:

a) licensing vendors to collect taxes and maintaining a tax roll of vendors who collect and remit taxes;

b) providing information to taxpayers and the general public to assist them in understanding tax, refund and rebate programs;

c) processing, depositing and reconciling revenue;

d) providing a collection service for the Revenue Division; and

e) operating refund and rebate programs administered by the Revenue Division.

The collection, processing and taxpayer service activities for the Education and Health Tax, Liquor Consumption Tax, Tobacco Tax, Corporation Capital Tax and other miscellaneous revenues and refund programs are centralized within the Revenue Operations Branch.

1985-86 Activities

The Revenue Operations Branch collected approximately $592 million in taxes and other levies and processed 266,000 tax returns in 1985-86.

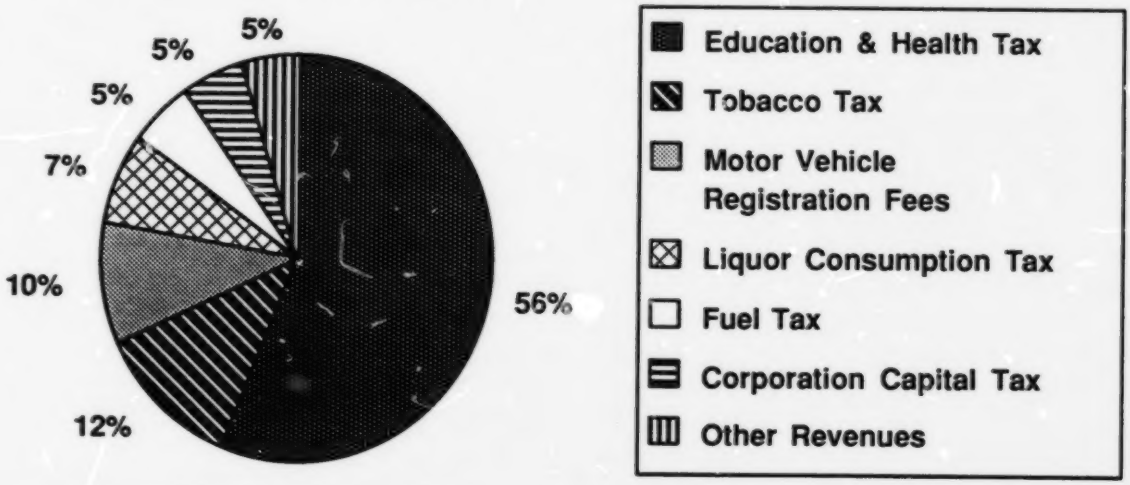
Barry Halbwachs
Assistant Deputy Minister

During 1985-86 the branch contacted 3,578 new businesses to assist them in understanding their tax-related responsibilities and answered 16,327 tax-related inquiries from vendors,

Revenue Collection (in thousands of dollars)

	1983-84	1984-85	1985-86
Education and Health Tax	$300,736	$304,698	$333,009
Tobacco Tax	48,823	59,967	70,391
Motor Vehicle Registration Fees	54,187	57,346	60,280
Liquor Consumption Tax	39,589	40,316	41,287
Fuel Tax	13,593	32,108	30,723
Corporation Capital Tax	28,985	27,885	30,530
Other Revenues	24,999	26,396	25,901
Total	**$510,912**	**$548,716**	**$592,121**

Revenue Collection by Tax Type



taxpayers and the general public.

The branch paid $4.4 million in benefits under the Mortgage Interest Reduction Plan to Saskatchewan homeowners.

The Revenue Operations Branch developed the forms, procedures and computer systems needed to implement the Farmers' Oil Royalty Refund Program.

To protect tax revenues owed to the province the branch issued 386 legal documents.

Number of Taxpayers, Vendors and Collectors by Major Tax Type 1985-86

Education and Health Tax	31,059
Liquor Consumption Tax	1,413
Corporation Capital Tax	719
Tobacco Tax	180

Refunds Processed 1985-86

	Number	Value
Education and Health Tax	667	$ 636,229
Liquor Consumption Tax	13	14,337
Corporation Capital Tax	417	2,582,574
Capital Gains Tax Rebate	2,562	4,149,482
Mobile Home Refunds	179	132,673
Other	570	664,517
	4,408	**$8,179,812**

Licensing Activity 1985-86

	Issued	Cancelled
Education and Health Tax		
Vendors	3,926	3,184
Consumers	1,086	744
Liquor Consumption Tax	312	247

Audit and Investigation Branch

The Audit and Investigation Branch is responsible for the development, planning and implementation of audit programs. These programs are designed to ensure that taxpayers who remit tax, or who qualify for refunds, are treated equitably and in accordance with the statutes and regulations.

The branch is required to conduct audits under The Education and Health Tax Act, The Liquor Consumption Tax Act, The Fuel Tax Act, The Tobacco Tax Act, The Corporation Capital Tax Act, the Capital Gains Tax Rebate Program, the Canadian Agreement on Vehicle Registrations and the Interprovincial Sales Tax Arrangement.

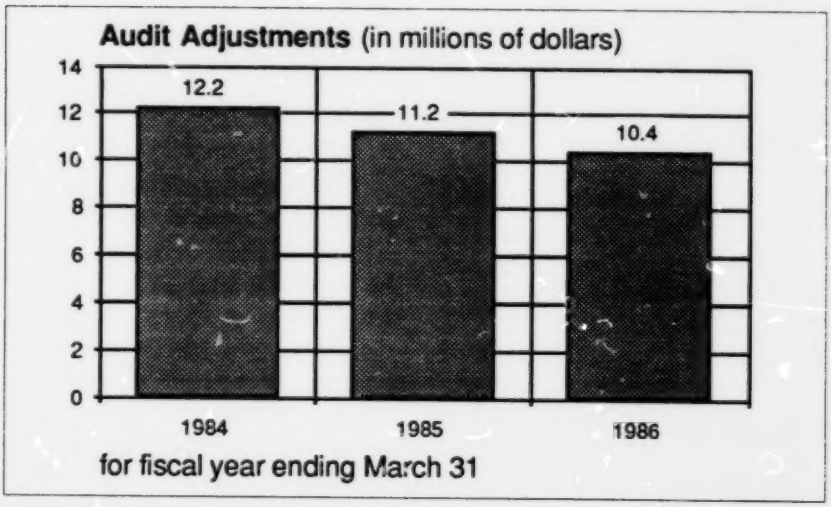
To meet its responsibilities the Audit and Investigation Branch:

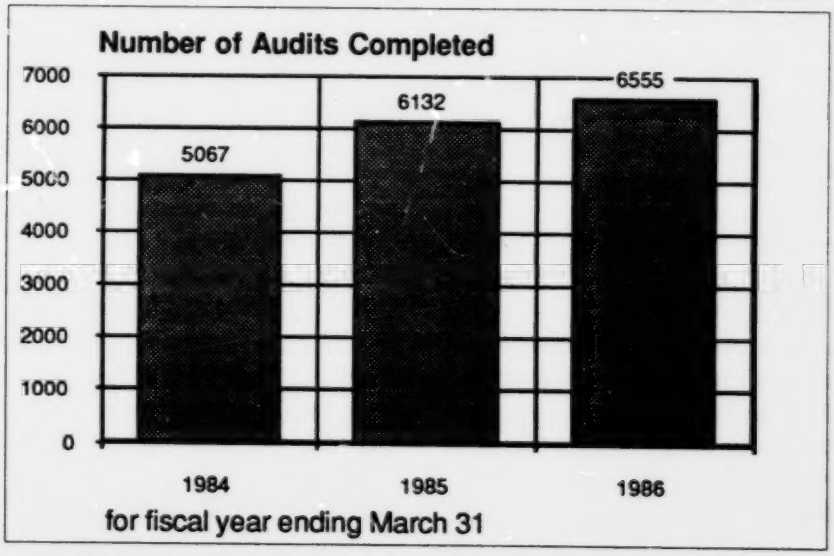
a) develops audit philosophy, programs and procedures;

b) conducts field and desk audits;

c) develops and conducts post-audit review programs;

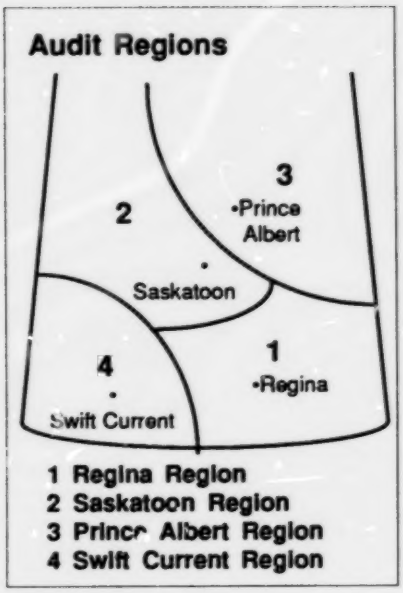
d) investigates taxpayer complaints; and





e) initiates audit action for the tax statutes and regulations.

The branch provides assistance and guidance to taxpayers and acts as a liaison with other departments and other provincial governments to ensure that interprovincial agreements are properly administered.



1985-86 Activities

During the year, the branch conducted 6,555 audits which resulted in $10.4 million in revenue for the province.

The Audit and Investigation Branch developed an audit selection system which will be implemented in 1986-87. The system will aid auditors in the fair selection of vendors for Education and Health Tax audits.

Revenue Policy and Monitoring Branch

The major responsibilities of the Revenue Policy and Monitoring Branch include:

a) formulating consistent and uniform policies related to the collection of taxes and the provision of rebates and refunds;

b) acting as liaison with the Department of Finance on taxation matters related to programs administered by the division;

c) monitoring the activities of the Revenue Operations Branch and the Audit and Investigation Branch; and

d) providing interpretations of taxing statutes and rulings.

The branch also acts as a liaison with other jurisdictions in matters affecting taxation programs assigned to the Revenue Division.

1985-86 Activities

Revenue Division assumed the responsibility for the administration of the Provincial Disaster Assistance Program and the Farmers' Oil Royalty Refund Program in 1985-86.

The Revenue Policy and Monitoring Branch assisted in establishing the legislation and regulations for these programs.

The branch prepared amendments to The Department of Revenue and Financial Services Act. These amendments consolidated and standardized the administration and enforcement provisions of the nine taxation statutes administered by the Department of Revenue and Financial Services.

During 1985-86 the branch provided tax information to vendors and taxpayers by issuing 37 new or revised Information Bulletins.

The Revenue Policy and Monitoring Branch coordinated the implementation of several tax changes in 1985-86, including an Education and Health Tax exemption for clothing, footwear and yardgoods under $300, an increase in Corporation Capital Tax rates and an increase in Tobacco Tax rates.

Public Employees Benefits Agency

Public Employees Benefits Agency

The Public Employees Benefits Agency administers various pension and benefit programs for the public service and some crown corporations, boards and agencies.

Pension Administration Branch

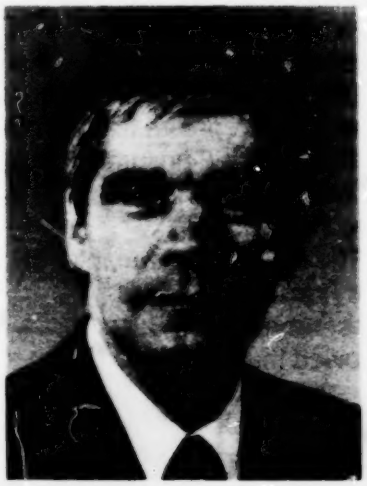
In 1986-86, the agency was responsible for the administration of the following pension plans:

1) the Public Employees (Government Contributory) Superannuation Plan;
2) the Public Service Superannuation Plan;
3) the Judges of the Provincial Court Superannuation Plan;
4) the Members of the Legislative Assembly Superannuation Plan;
5) the Saskatchewan Transportation Company Superannuation Plan;
6) the Anti-Tuberculosis League Superannuation Plan;
7) the Workmen's Compensation Board Superannuation Plan; and
8) the Liquor Board Superannuation Plan.

1985-86 Activities

Legislation was amended in April 1985 to improve the portability of pensions. Members of the Public Employees Superannuation Plan now are allowed to transfer their vested funds to a locked in registered retirement savings vehicle upon termination. As well, the plan administrators were given the authority to enter into reciprocal agreements with any registered pension plan (previously the Agency was restricted to dealing with public sector employers only).

Additional ammendments to the legislation now require employees who commence any type of leave of absence on or after June 19, 1985 to contribute to the Public Employees Superannuation Plan (and to receive and employer matching contribution) for the period of absence.



Brian Smith
Executive Director

The government has recognized the need to maintain the purchasing power of pensions paid to its superannuates. Supplementary allowances have been provided in years past to offset the eroding effect inflation has on the value of fixed pensions. In 1985-86, a supplementary

Accounts administered by the Public Employees Benefits Agency by type as of March 31, 1986

Pensions *	27,165
Group Life Insurance Plan	29,036
Disability Income Plan	11,985
Dental Plan	25,349

* This number includes employees contributing to pension plans as well as those drawing a pension.

allowance increase of 2.37% was granted to superannuates of the Public Service Superannuation Plan. This represents 60% of the rise in the Consumer Price Index for Saskatoon and Regina.

The investment earnings of the Public Employees Superannuation Fund allowed the Supervisory Board to declare an interest rate of 15.09% for the 1985-86 fiscal year. Earnings of the fund during the year are distributed to members' accounts at the end of each year. The fund's growth continued to grow to a total of approximatly $270 million at the end of 1985-86.

The agency undertakes actuarial valuations of the government's pension plans on a regular basis. A valuation was commissioned on the Public Service Superannuation Plan in 1985-86.

Group Life Claims for the Year Ending Dec. 31, 1985	
Employee Life Claims	68
Employee Spouse Claims	31
Employee Dependent Claims	26
Accidental Death	5
Total	**130**
Paid up Certificates Issued	280
Conversion Options Exercised	18
Dollar Value of Settlements	$5,900,379

Disability Income Plan for Year Ending Dec. 31, 1985	
Active Claimants at Year End	146
Dollar Value of Claims Processed	$2,608,744

Public Employees Dental Plan for Year Ending Dec. 31, 1985	
Number of Claims Processed	19,471
Dollar Value of Claims Processed	$1,406,019

Benefits Administration Branch

The agency also administers the Government of Saskatchewan Public Employees Group Life Insurance Plan, the Public Employees Dental Plan and the Government of Saskatchewan Public Employees Disability Income Plan.

The Group Life Insurance Plan provides life insurance coverage to employees, their spouses and children. The plan also includes additional accident coverage for employees.

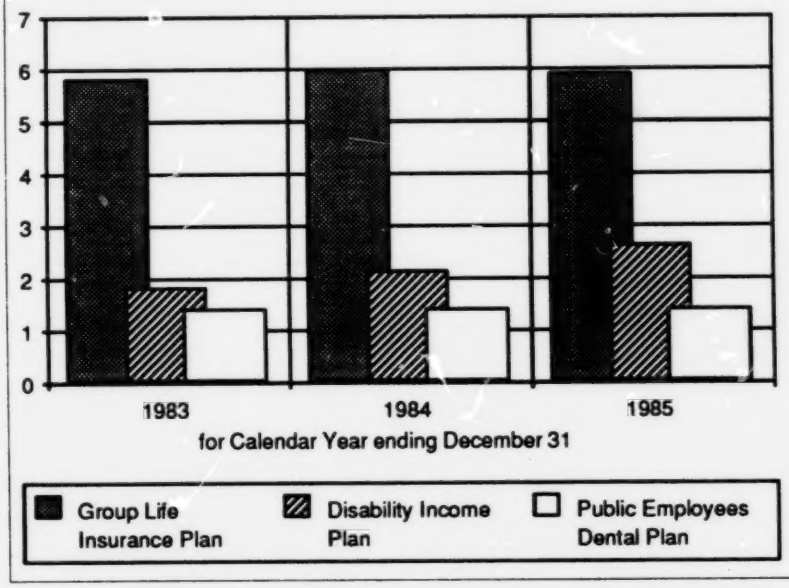
The Dental Plan provides reimbursement to offset dental costs to certain employee groups. The plan reimburses employees, within limits, to 100% of preventative work, 75% of routine work and 50% of major restorative work.

The Disability Income Plan protects employees against financial hardship should they become disabled either at work or at home. The plan provides for 75% of the

employee's predisability income to those who are disabled for longer than four months.

Benefits may continue for up to 20 months for those who are disabled for their own occupation or until age 65 for those who are disabled for any occupation. The administration of the Disability Income Plan is governed by the Disability Income Plan Council which is composed of representatives of the various participating employee and employer groups.

Payments Under Benefit Programs in Millions of Dollars



1985-86 Activities

Effective February 1, 1986 SGEU commenced its participation in the Public Employees Dental Plan (approximately 10,500 employees were involved).

Effective April 1, 1985 the Public Employees Dental Plan dentist and denturist reimbursement schedules each increased by an overall 3.95%.

The Group Life Insurance and Dental Plan annual meetings were held on Monday, June 17, 1985. The meetings were attended by payroll, personnel and union representatives.

The Disability Income Plan Advisory Council approved a motion to amend its basic salary definition to include deferred salary and commissions. The Public Employees Benefits Agency developed and distributed copies of the Disability Income Plan administration manual to payroll and personnel people.

Claimants who were entitled to receive disability benefits prior to October 1, 1985 received a 3% cost of living adjustment increase October 1, 1985. The increase was applied to the gross predisability salary.

The agency provided seminars in Regina, Saskatoon and Prince Albert for personnel and payroll employees to provide information on the administration involved with the pension and benefits plans. Several seminars were provided to employee groups.

Financial Services Branch

The branch ensures the existence of effective financial and information systems, produces financial information for decision making purposes and provides payroll services to the pension plans.

1985-86 Activities

The branch developed and implemented several types of desk audit procedures for the payment of claims in the Public Employees Group Life Insurance and Dental Plan funds. These procedures have significantly enhanced the financial control over payments from these funds. Further improvements in financial statement preparation were achieved following a conversion from manual to automated general ledger systems for seven of the funds administered by the agency.

The branch enhanced the investment earnings potential of the Public Employees Superannuation Fund by amending the contribution submission dates to coincide with individual employee pay period dates.

The branch also introduced many general types of improvements in the financial control of all systems through the documentation and implementation of various new system procedures.

Administration Division

Administration Division

The Administration Division supplies those services to the Department of Revenue and Financial Services which are necessary for its day to day operation. These services encompass financial, personnel and support services, including communications.

The Administration Division also provides its expertise to a group of client departments. In 1985-86 the Departments of Finance, Labour, Telephones, and Science and Technology as well as Executive Council, Public Service Commission, Provincial Secretary, Women's Secretariat, Local Government Finance Commission, Indian and Native Affairs Secretariat and Local Government Board received administrative support from this division.

The activities of each of the three branches of the Administration Division for the 1985-86 fiscal year are descibed below.

Financial Services Branch

The Financial Services Branch provides accounting, payroll and budgeting services to the Department of Revenue and Financial Services and to several client departments. In addition, the branch supplies direction to the department and the clients for developing and implementing financial policies and procedures.

1985-86 Activities

1985-86 was a year of change for the Financial Services Branch. In April 1985, the revenue and expenditure system was implemented on a government-wide basis and the new system had a major impact on the accounting unit. New routines and control mechanisms were developed and implemented; training sessions were held for our client agencies; job descriptions were revised; and, systems equipment was acquired.

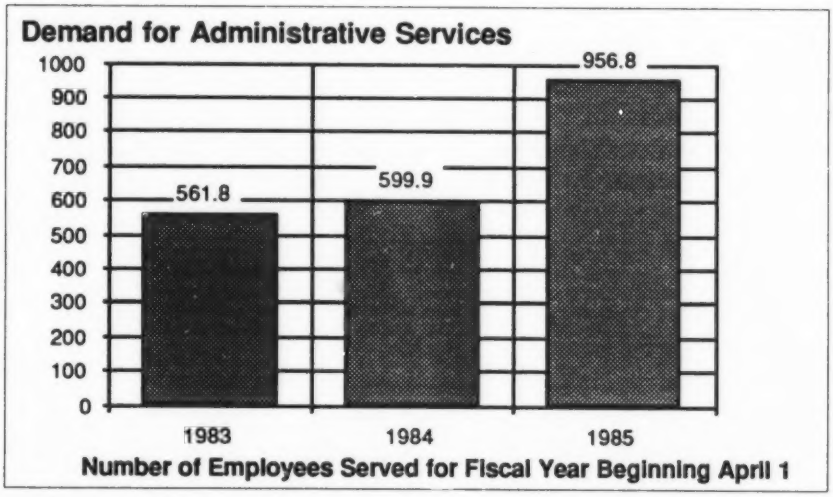
During 1985-86 the payroll unit assumed responsibility for processing payroll transactions for the Department of Labour, the Local Government Board and the Public Service Commission. As a result, by July 1985, the branch was handling payrolls for Revenue and Financial Services and eleven client agencies. Then, in March 1985, the branch served as the pilot department for the implementation of the automated payroll system.

Bill Van Sickle
Executive Director

In the budgeting unit, we continued our efforts to enhance fiscal forecasting techniques and to provide managers and senior officials with timely, relevant financial data.

Human Resources Branch

The Human Resources Branch is responsible for providing personnel services to the Department of Revenue and Financial Services and to several client agencies. Services include staffing, classification, employee



relations, contract and benefit administration, manpower planning and development, and personnel information and record keeping.

1985-86 Activities

During the year the branch became one of nine amalgamated Human Resource Branches providing services to all government departments, and was assigned responsibility for five new client agencies. Additionally, responsibility for staffing and classification was delegated to the branch by the Public Service Commission.

Activities during the year included the reallocation of all out-of-scope staff to the new Management and Professional Classification Plan and the introduction of a departmental work planning and performance review policy. A modified classification system and benchmark descriptions for Financial Management Analysts was developed jointly by the department and the Public Service Commission. The personnel and payroll units were the first to be converted to the new Human Resources System.

Support Services Branch

The Support Services Branch is responsible for acquiring supplies, equipment, space and furniture for the Department of Revenue and Financial Services and its client departments and agencies. The branch offers communication assistance to department managers and provides a data entry facility for the Revenue Division

1985-86 Activities

During the year the branch began implementing new systems of record retention on the micro-computer. These systems will assist the client agencies to monitor their fixed assets and their periodical susbscriptions.

The work of getting Revenue and Financial Services settled into its new offices continued in 1985-86. Adjustments and renovations were made on several floors at 2350 Albert Street, as well as at 1914 Hamilton Street.

In communications, the branch continued to supply information materials such as organization charts and annual reports to the department. For the first time, computer assisted design was used in the production of communication materials. This new technology dramatically shortens turnaround time, reduces costs, and improves the quality of materials designed by the branch.